

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

March 24, 2003
6:00 p.m.

Council Chambers
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Degginger, and Councilmembers Creighton, Davidson, Lee, Mosher, and Noble

ABSENT: None.

1. Executive Session

Deputy Mayor Degginger opened the meeting at 6:00 p.m. and announced recess to Executive Session for approximately 90 minutes to discuss three items of potential litigation and one item of pending litigation.

The meeting resumed at 7:47 p.m. with Mayor Marshall presiding.

2. Oral Communications

- (a) Wilfred Kressner, an Issaquah resident, said he and his wife have been the only residents of the Cougar Ridge Tax Lots for the past 40 years. He said development of the lots has been prevented due to the clay soil, unknown water sources, inadequate roads, and the lack of a power source. There have been only three attempts at development in 40 years, which were complicated by the combination of King County and City of Bellevue requirements. Mr. Kressner said the area has now been clear cut, resulting in an unpleasant environment full of uncleared logging debris and surface water on the road. He said several attempts at annexation have failed.

3. Study Session

- (a) Puget Sound Engineering Council Government Engineer of the Year Award

[This item was postponed.]

- (b) Council New Initiatives

Mr. Mosher commented on the lack of civility in recent Council and City-related meetings. He asked Council to consider adopting rules or standards of decorum for public meeting communications.

Mr. Noble noted the yellow cards in Council's desk packets, which have been provided as a vehicle for submitting feedback regarding the Regional Policy Committee's discussions about King County's human services. The three primary messages are: 1) Listen to the public – East King County residents support human services, 2) Lose no ground – At a minimum, maintain current funding support for community-based human services, and 3) Find revenue options. He asked Councilmembers to sign the cards and submit them to state legislators.

Responding to Mayor Marshall, Councilmembers were supportive of Mr. Mosher's suggestion and asked the City Clerk to research the issue.

- (c) Resolution No. 6833 congratulating the City of Clyde Hill on its 50th birthday and appreciating its important contribution.

➡ Deputy Mayor Degginger moved to approve Resolution No. 6833, and Mr. Creighton seconded the motion.

➡ The motion to approve Resolution No. 6833 carried by a vote of 7-0.

Mayor Marshall wished a "Happy Birthday" to the City of Clyde Hill.

- (d) Resolution No. 6834 authorizing the execution of documents necessary to implement a settlement in the amount of \$100,000 in the lawsuit brought by Edward and Patricia Dunbar. (King County Superior Court Case No. 00-2-23175-0 SEA)

City Manager Steve Sarkozy said the lawsuit brought against the City by Edward and Patricia Dunbar relates to a traffic accident on NE 20th Street in which Mr. Dunbar, on a motorcycle, was struck by a car. The City Attorney recommends acceptance of the settlement.

➡ Mr. Noble moved to approve Resolution No. 6834, and Mr. Creighton seconded the motion.

➡ The motion to approve Resolution No. 6834 carried by a vote of 7-0.

- (e) Resolution No. 6835 rejecting the petition calling for an election filed by Wilfred and Vanda Kressner for the annexation of a 52.25-acre site, located east of 166th Avenue SE and south of the Pinnacle development in the Newcastle Subarea, commonly referred to as the Tax Lots.

Mr. Sarkozy explained that Resolution No. 6835 rejects a petition filed by Wilfred and Vanda Kressner for the annexation of a site in the Newcastle Subarea known as the Tax Lots.

Nicholas Matz, Senior Planner, said the Tax Lots site is located east of 166th Avenue SE and south of the Pinnacle development. The property is bordered by the Cougar Mountain Regional Wildland Park and the Urban Growth Boundary. Mr. Matz said staff recommends rejection of

the petition filed by the Kressners because multiple ownerships and the existing property tax segregated status of the lots creates the possibility that development could be inconsistent with the single-family low (SF-L) designation in the Comprehensive Plan for this potential annexation area. The City is currently negotiating a development agreement with owners of the lots for purposes of establishing zoning that would regulate the Tax Lots' development capacity and ensure consistency with the Comprehensive Plan. Rejection of the petition tonight will allow staff to implement the development agreement.

Mayor Marshall spoke in favor of ensuring that development is consistent with the City's Comprehensive Plan.

➡ Deputy Mayor Degginger moved to approve Resolution No. 6835, rejecting the annexation petition filed by Wilfred and Vanda Kressner in reference to the Tax Lots. Mr. Lee seconded the motion.

➡ The motion to approve Resolution No. 6835 carried by a vote of 7-0.

(f) Regional Issues

Transportation Director Goran Sparrman recalled staff's presentation to Council on October 14, 2002, regarding a preferred alternative for the I-90/Eastgate Direct Access Project. In response to concerns and questions raised at that time, Sound Transit staff conducted additional analysis to review budget and other constraints affecting the project in order to create an effective project that will allow future additions and enhancements.

Jim Edwards, Program Administrator for Sound Transit Regional Express, introduced Paul Cornish, Sound Transit Project Manager. Mr. Edwards said Sound Transit and Bellevue staff have worked together to develop a project that both agencies can endorse. The purpose of tonight's presentation is to brief Council and seek input before returning to the Sound Transit Board in April or May for authorization of the next steps.

Mr. Edwards reviewed an aerial photo of the project site. The project is intended to provide direct access from the carpool lanes to the overpass at 142nd Place SE and into the Eastgate Park and Ride Lot. Sound Transit currently has two bus routes serving this location. Phase 1 of the project will provide transit-only access ramps from I-90 onto 142nd Place SE. It will be designed to be fully compatible with any future widening of 142nd SE or city streets. Phase 2 will be a partnership to include major improvements to allow carpools and area growth.

Mr. Edwards reviewed the benefits of the preferred alternative:

- The project can be phased and built within the budget.
- Consistent with Sound Transit policies and City standards.
- Provides direct transit benefits.
- Reduces transit demand on city streets by providing direct access into Eastgate Park and Ride Lot.

Mr. Edwards said the project team will seek approval from the Sound Transit Board and then proceed with 30-percent Preliminary Engineering/Environmental Documentation. Sound Transit will work with the City to determine specific improvements and mitigation while continuing community outreach efforts.

Responding to Councilmember Lee, Mr. Edwards said the mitigation will likely include a signalized intersection where the ramps intersect with 142nd. Improvements will be considered at SE 32nd and 142nd as well. Mr. Lee questioned whether the project will improve north-south travel across I-90. Mr. Edwards noted the City's desire for an additional north-south route between Richards Road and 148th Avenue. He said the project will be designed to facilitate this capacity expansion in the future. Mr. Edwards said it is possible the bridge could be widened to four or five lanes in the future if needed.

Responding to Mr. Creighton, Mr. Sparrman said Phase 1 fits within the existing Sound Transit budget. Phase 2 is not currently funded. However, Sound Transit and City staff are exploring funding options including Sound Transit East Subarea excess revenues and federal funding. Mr. Edwards said Phase 1 is scheduled for completion by the end of 2005.

Mayor Marshall thanked Sound Transit staff for redesigning the project to accommodate future growth if needed.

Moving on, Mr. Sarkozy opened discussion about the King County Budget Advisory Task Force, which was created to examine the County's Current Expense (CX) Fund programs, policies, processes, and budgets. Diane Carlson, Director of Intergovernmental Relations, said a joint city panel presented its interests and concerns to the Task Force last week.

Steve Call, King County Budget Director, provided a presentation on the 2003 King County Adopted Budget totaling \$3.179 billion. The General Fund (or CX Fund) represents approximately 16 percent of the overall budget. Most of the County's budget contains dedicated revenues for specific programs, utility enterprise funds, internal services, and capital improvement funding.

Mr. Call said the General Fund contains the following functions and services:

- Criminal Justice – 72 percent
- General Government – 16 percent
- Health and Human Services – 6 percent
- Parks and Department of Development and Environmental Services – 4 percent, and
- Capital Program transfers – 2 percent.

He noted that funding for Health and Human Services, General Government, Parks, and Capital Program transfers has decreased since 2001 while Criminal Justice funding continues to increase. Property tax revenues support 73 percent of the General Fund and 23 percent is funded by sales tax revenues. Mr. Call said cities typically have a more varied tax base. He said the passage of Initiative 747 capped base property tax growth at 1 percent annually beginning in 2002. Continued budget reductions will be necessary through 2006.

Mr. Call said the population and service requirements for unincorporated King County are changing as annexations and incorporations have increased the imbalance between revenues and expenditures. He noted that King County is the local government for 358,000 citizens, which includes an urban unincorporated area with a population of 212,000. He displayed a map of the primary Potential Annexation Areas (PAAs) within the county and commented on the challenge of providing services to this dispersed population. Mr. Call reviewed unincorporated revenues and expenditures, noting a \$41 million deficit. The urban subsidy helps to compensate for the inadequate tax base by supporting city-level services in unincorporated areas. King County is currently seeking authorization through the state legislature to initiate a utility tax.

Mr. Call reviewed a list of the populations and median household incomes for unincorporated areas. The median household income for most of these areas exceeds the overall King County average which is just under \$54,000. Mr. Call said King County's options for addressing the unincorporated deficit include some or all of the following:

1. Reduce expenditures and levels of service.
2. Increase revenues.
3. Continue the urban subsidy.
4. Promote annexations.

In closing, Mr. Call reviewed a comparison of property tax levy rates for King County and its cities.

Councilmember Mosher commented that providing city-level services in unincorporated areas creates a disincentive for annexation or incorporation. Mr. Call said the statewide growth management policies adopted in the early 1990s state that urban unincorporated areas should receive urban-level services and that rural areas should receive rural-level services. However, urban unincorporated areas are not receiving urban-level services. Responding to Mayor Marshall, Mr. Call acknowledged the inefficiencies in trying to provide services to a widely dispersed population. He said these areas generally have little or no retail or business tax base.

Responding to Deputy Mayor Degginger, Mr. Call said the county utility tax could generate as much as \$30 million annually if approved by the state legislature. Mr. Degginger noted that some cities are not interested in annexing unincorporated areas because of the expenditures that would be required to implement city-level infrastructure and services. Mr. Call said the County is researching strategies to improve the infrastructure in many areas. He feels many citizens do not want to annex into cities because of the utility taxes. If a county utility tax is approved, this will remove a current barrier to annexation.

Mayor Marshall questioned whether utility tax revenues would be used to relieve the urban subsidy that currently provides services to unincorporated areas, thereby returning revenue to the original contributing communities for programs such as human services and parks. Mr. Call said utility tax revenues would be used to provide services in unincorporated areas and relieve the urban subsidy.

Dr. Davidson questioned the projected six percent annual increase in expenditure growth given the decrease in revenues. Mr. Call said expenditures will be reduced to stay within revenues through a variety of measures including layoffs, benefit reductions, or other initiatives.

In response to Mr. Sarkozy, Mr. Call described the park bond issue to be presented in the May 20 election. Mr. Call said the county park system reduced its budget by approximately 35 percent in the past year. The King County Executive appointed a task force to review park operations which resulted in a downsizing of the park system. If the park bond passes, King County will be able to sustain the current park system. If it fails, the county park system will continue to shrink.

Responding to Mr. Degginger, Mr. Call said park bond funds would be used for parks maintenance and not for property acquisition.

Seeking clarification regarding the urban subsidy issue, Mr. Creighton questioned whether funds currently spent in unincorporated areas would be reallocated to regional services if the utility tax is approved to help fund services in unincorporated areas. Mr. Call said funds would not necessarily be reallocated but the utility tax would help mitigate the inevitable future reductions in regional services. Mr. Creighton noted that cities might be more supportive of the proposed tax if there was a clear benefit to them. Mr. Call said the funds would help improve regional services or avoid future cuts in services.

Mr. Lee noted that the population of unincorporated areas has decreased significantly in recent years, yet expenditures continue to increase. Mr. Call said the growth in county government is due to increased costs for regional services, particularly in the area of criminal justice services. King County provides police services to approximately 13 cities under full cost recovery contracts.

Mayor Marshall thanked Mr. Call for his candor and his presentation.

Utilities Director Lloyd Warren introduced Alison Bennett, Policy Program Manager, to provide a status report on regional watershed planning and the Endangered Species Act. Ms. Bennett recalled previous Council direction to continue to focus on watershed planning and development of the Regional Watershed Conservation Plan.

Ms. Bennett reviewed Bellevue's local activities including its ongoing open streams policy, new modifications to the road maintenance program, a Capital Investment Program (CIP) project to repair culverts and facilitate fish passage, and an Integrated Pest Management Study. Current salmon-friendly projects include Mercer Slough and NE 8th Street fish ladders, habitat improvement in Valley Creek, and Kelsey Creek Farm West Tributary stream restoration.

Ms. Bennett described watershed planning by the WRIA 8 (Water Resource Inventory Area 8, Lake Washington/Cedar/Sammamish) Forum and Steering Committee, which finalized the Near Term Action Agenda in August 2002. The group continues to develop the long-term Conservation Plan to address programmatic and regulatory changes, habitat acquisition and restoration, regional funding, and regional versus local responsibilities. Technical and policy staff are working together on the plan and technical modeling results are anticipated by June or

July 2003. The current schedule calls for a draft plan by December and a final plan to be released in June 2005.

Ms. Bennett said the City participates in Shared Strategy for Puget Sound, a collaborative regional planning effort for salmon recovery that meets the needs of people and fish while building partnerships between local communities and federal, state, tribal, and private interests. The group supports efforts to develop watershed plans. Councilmember Mosher is Bellevue's representative with the Shared Strategy group.

The Tri-County Salmon Conservation Coalition completed a biological review of the 4(d) Rule Response Proposal during the past year. The information provided in the proposal and biological review can be used by jurisdictions to seek formal coverage under the 4(d) rule or to apply the model, in whole or in part, using the best available science to inform decision-making without seeking any formal coverage under the Endangered Species Act. The Tri-County work plan for 2003 focuses on: 1) securing funding for salmon conservation, 2) demonstrating successes, and 3) improving regional information and communication.

Ms. Bennett described the creation of the Central Puget Sound Regional Water Initiative in 2002 by the governor, who appointed Jim Waldo to lead the effort. The group is focused on developing a strategy to integrate water supply decision-making and watershed planning.

Ms. Bennett described a problem with Coho salmon prespawn mortality rates in urban areas. In Longfellow Creek, Seattle, prespawn mortality was 90 percent in 2002. Fortson Creek in Snohomish County experienced a zero percent prespawn mortality rate in 2002. The cause of the high urban mortality rate is unknown but water quality, rather than parasites or disease, is thought to be a factor.

Mr. Mosher congratulated Dr. Davidson for his appointment as Vice Chair of the WRIA 8 Forum. In response to Mr. Mosher, Environmental Scientist Kit Paulsen described staff's work to assess and document stream conditions and conduct comprehensive, long-term planning.

Councilmembers expressed support for the City's involvement in local and regional planning and water-related initiatives. Mayor Marshall thanked staff for their excellent work and Councilmembers for their commitment to these issues for many years.

Ms. Carlson described the work of King County and municipal government staff to review human services and develop recommendations for the Regional Policy Committee. Staff's report was provided to the RPC in early March. Ms. Carlson said the RPC invites comments on the recommendations. At the March meeting, the RPC adopted a resolution regarding recommended policy positions on state-funded human service programs in King County. The RPC has requested local government support of its legislative agenda.

Emily Leslie, Human Services Manager, described her work with human services managers throughout the county to develop recommendations for the RPC. Each service had to meet at least one of the following criteria to be considered a regional service:

- Needed to support the infrastructure for regional services (e.g., policy development, administration, evaluation, and transportation).
- Services for which economies of scale make regional delivery the most viable option.
- Services required for security reasons (e.g., domestic violence services).
- Services available to any King County resident regardless of place of residence.

This criteria was used to develop lists of local and regional services, which are categorized as follows:

- Food to eat and roof overhead.
- Supportive relationships within families, neighborhoods, and communities.
- Safe haven from all forms of abuse.
- Health care to be physically and mentally fit as possible.
- Education and job skills to lead an independent life.

Ms. Leslie said the group compiled information regarding 2002 local, federal, and state funding for each service category. She noted the significant funding contribution to regional human services by the City of Seattle.

Ms. Carlson referenced the RPC's legislative agenda on page 35 of the Regional Issues packet covering six areas: mental health funding, public health funding, the state's Basic Health Plan, General Assistance-Unemployable program, children and family block grants, and the Housing Trust Fund. She recalled that Council's legislative agenda opposes any shifting of responsibility for human services funding from the state to local governments.

Councilmember Noble feels the RPC's legislative agenda is consistent with Bellevue's legislative agenda and priorities.

- ☉ Mr. Noble moved that Council submit a letter in support of the Regional Policy Committee's legislative agenda on human services, and Mr. Mosher seconded the motion.

Mr. Noble said he discussed the report and RPC legislative agenda with the Bellevue Human Services Commission last week. He disagreed with the determination that literacy should be considered a local, rather than national or regional, issue. While in general Mr. Noble concurs with the categories of services identified, he cautioned that family needs can extend across multiple categories.

Mr. Lee noted the need to address the long-term planning and funding of human services capital projects as well as the long-term strategy for criminal justice funding, particularly in the area of youth programs. He said the *Reinvest in Youth* initiative is currently researching alternative ways to approach criminal justice services with a focus on prevention and intervention.

Mr. Mosher discussed the challenge in identifying a stable funding source for permanent low-income housing. He supports housing programs but cautioned against government becoming too involved or imposing rent control restrictions. In response to Mr. Mosher, Ms. Leslie said

homesharing for seniors is supported through Catholic Community Services. A new program pairs homeless or low-income individuals with seniors needing light housework and assistance.

- The motion that Council submit a letter in support of the Regional Policy Committee's legislative agenda on human services carried by a vote of 7-0.

Following additional discussion, Council agreed to also send letters to state legislators regarding human services programs and funding.

Ms. Carlson provided an update on the 2003 state legislative session. House Bill 2030 regarding business and occupations (B&O) taxes was passed by a vote and would require implementation of apportionment by 2008. The first draft of a House transportation proposal is due to be released tomorrow.

- At 9:55 p.m., Deputy Mayor Degginger moved to extend the meeting to 10:30 p.m. Mr. Mosher seconded the motion.
- The motion to extend the meeting to 10:30 p.m. carried by a vote of 7-0.

At 9:56 p.m., Mayor Marshall declared a brief recess, and the meeting resumed at 10:00 p.m.

(g) Update on East Bellevue Corridor Studies

Mr. Sarkozy introduced staff's presentation regarding three East Bellevue Corridor Studies: 1) Bel-Red Overlake Transportation Study (BROTS) North-South Corridor Study, 2) 148th Avenue Mobility Improvement Package, and 3) Eastgate/I-90 Corridor Study.

Transportation Director Goran Sparrman said the East Bellevue studies were initiated by a number of factors including a concurrency approaching .85 in the area in 1999 and citizen frustration about traffic congestion. The BROTS interlocal agreement signed by the Cities of Bellevue and Redmond in 1999 identified a project to study the feasibility of extending 152nd Avenue over SR 520. In 2000, Council and staff began developing the Local Transportation Vision ultimately adopted by Council in February 2001. Public input during this process further highlighted the need to address transportation issues in East Bellevue.

Mr. Sparrman described a map showing the three study areas. The BROTS North-South Corridor Study is focused on the area along 148th and 156th Avenues, north of Bel-Red Road. The 148th Mobility Improvement Package covers the area south of Bel-Red Road to Bellevue Community College, and the Eastgate/I-90 Study includes BCC and areas along I-90. Mr. Sparrman noted that traffic congestion in East Bellevue is largely a function of regional traffic and deficiencies in the regional highway system. He recalled previous Council direction to staff to not consider the widening of arterials as a solution to regional transportation problems and to maintain a focus on neighborhood protection.

Susie Serres, Long-Range Planning Manager, thanked Steve Sindiong, Project Manager, for his work on the BROTS North-South Corridor Study. She noted Terry Marpert, City of Redmond, and David Elliott, Transportation Commission Member, in the audience.

Ms. Serres explained that the BROTS North-South Corridor Study was initiated by the September 1999 BROTS interlocal agreement with the purpose of studying ways to improve traffic circulation in the area and focusing on alternatives for a new crossing of SR 520 at 152nd Avenue NE. The project team identified an alignment paralleling the east side of SR 520 and crossing the freeway at NE 36th Street. Analysis indicates this alternative will decrease system delays by 21 percent and southbound 148th travel times by 35 percent. The total cost is estimated at \$21.5 million. The North-South Corridor Study Technical Advisory Committee recommended splitting the project into near-term and long-term improvements. Near-term improvements would be completed by 2012 at a cost of \$4.3 to \$4.7 million and long-term improvements extend beyond 2012 at a cost of \$36 to \$40 million.

Ms. Serres briefly reviewed the 148th Avenue Mobility Improvement Package, which is focused on optimizing traffic flow without major road widening or neighborhood impacts. Near-term improvements recommended by the Transportation Commission include redesigning the intersection at Lake Hills Boulevard and adding sidewalks and bike lanes on SE 22nd Street. Mid-term improvements include the addition of dual left-turn lanes on NE 8th Street at 148th Avenue. Transit and HOV (high occupancy vehicle) improvements have been identified as well.

Ms. Serres said the Eastgate/I-90 Corridor Study has experienced significant community involvement including a Citizen Advisory Committee and multiple open houses and workshops. The resulting projects focus on pedestrian and bicycle access, neighborhood access, and transit.

Ms. Serres reviewed the combined TAC and Transportation Commission recommendations for the 148th Avenue corridor:

- Remove traffic congestion points.
- Improve neighborhood access.
- Improve pedestrian safety and access.
- More bicycle routes.
- Better transit access.

Two 148th Avenue projects are included in the 2003-2009 Capital Investment Program (CIP) Plan: 1) Lake Hills Boulevard intersection improvements, and 2) SE 22nd pedestrian and bike lanes. Remaining recommendations will be considered for the 2004-2015 Transportation Facilities Plan (TFP) and 2004 Comprehensive Plan updates. Projects in the Overlake area will be discussed in the April BROTS interlocal agreement reconciliation meeting. Eastgate/I-90 project ideas will be forwarded for consideration during the Factoria Area Transportation Study (FATS) Update process.

Mayor Marshall commended staff for coordinating all of the projects and for working with residents to identify project elements. Mr. Lee concurred.

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Mr. Mosher thanked the Transportation Commission for its planning and discussion of the projects.

At 10:30 p.m., Mayor Marshall declared the meeting adjourned.

Myrna L. Basich
City Clerk

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